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3 **MINUTES OF THE**
4
5 **THE CITY OF SANTA FE & SANTA FE COUNTY**
6
7 **BUCKMAN DIRECT DIVERSION BOARD MEETING**
8
9 **July 5, 2018**

10
11 1. This meeting of the Santa Fe County/City Buckman Direct Diversion Board meeting
12 was called to order by Councilor Peter Ives, Chair, at approximately 4:15 p.m. the City
13 Council Chambers, 200 Lincoln, Santa Fe, New Mexico.

14
15 2. Roll was called and a quorum was present with the following members present:

16
17 **BDD Board Members Present:**

18 Councilor Peter Ives
19 Ms. Denise Fort, Citizen Member
20 Councilor Michael Harris
21 Commissioner Anna Hamilton
22 Commissioner Anna Hansen [County alternate]
23
24 Mr. Tom Egelhoff [non-voting]

17 **Member(s) Excused:**

18 Commissioner Henry Roybal

25
26 **BDD Board Alternate Members Present:**

27 Councilor JoAnne Vigil Coppler [City alternate]
28 Mr. JC Helms [Citizen alternate]
29 Ms. Ginny Selvin [Las Campanas non-voting alternate]
30

31 **Others Present:**

32 Charles Vokes, BDD Facilities Manager
33 Nancy Long, BDD Board Counsel
34 Mackie Romero, BDD Financial Manager
35 Bernardine Padilla, BDD Public Relations Coordinator
36 Debra Harris-Garmendia, BDD Fiscal Administrator
37 Daniela Bowman, BDD
38 Michael Dozier, BDD Operations Superintendent
39 Michael Kelley, County Public Works
40 John Dupuis, County Utilities
41 Shannon Jones, City Public Utilities
42 Cheryl Vokes, Citizen
43 Alex Puglisi, City Water Division
44 Marcos Martinez, City Attorney
45 Bruce Frederick, County Attorney

1 George Segura, Daniels Insurance
2 Mary Erpelding Chacon, Las Campanas Co-op
3 Jay Lazarus, Glorieta Geoscience, Inc.
4

5 **3. Approval of Agenda [Exhibit 1: Agenda]**
6

7 There were no changes offered and Commissioner Hamilton moved to approve
8 the agenda as published. Commissioner Hansen seconded and the motion passed by
9 unanimous [5-0] voice vote.
10

11 **4. Approval of Consent Agenda**
12

13 CHAIR IVES: Any changes from staff?

14 CHARLES VOKES (Facilities Manager): Mr. Chair, no changes from
15 staff.

16 CHAIR IVES: Very good. Any changes are requests to pull items from
17 the Board?

18 COMMISSIONER HAMILTON: No.

19 CHAIR IVES: Councilor Harris.

20 COUNCILOR HARRIS: I have a couple, thank you, Chair. I have a
21 couple of quick questions on numbers 11 and 13, maybe in the nature of observations
22 almost.

23 COMMISSIONER HAMILTON: So do we need to pull those?

24 CHAIR IVES: Do you want to make the observations publicly or
25 privately?

26 COUNCILOR HARRIS: Yeah, that's the intention of my obtuse
27 statement.

28 CHAIR IVES: Okay, very good. We love clarity as opposed to obtusity.

29 COMMISSIONER HAMILTON: I move the amended consent agenda.

30 CHAIR IVES: Is there a second?

31 COMMISSIONER HANSEN: Second.

32 CHAIR IVES: Motion and second to approve the consent agenda as
33 amended.
34

35 **The motion passed by unanimous [5-0] voice vote.**
36

37 **Consent agenda Items:**

38 **10. Request for approval to extend chemical contract bids for an additional year**
39 **from various vendors for a total amount of \$336,000 for FY18/19**

40 11. [See page 18]

41 **12. Request for Approval of Amendment #1 in the total amount of \$43,000**
42 **exclusive of NMGRT for On-call Repair of BDD Infrastructure for FY19/19**
43 **– Subsurface Contracting, Inc.**

44 13. [See page 20]
45

1 **5. Approval of Minutes: June 7, 2018**

2
3 CHAIR IVES: Any changes from staff?

4 MR. VOKES: Mr. Chair, no changes from staff.

5 CHAIR IVES: Very good. Any changes from the Board? Commissioner.

6 COMMISSIONER HANSEN: Yes. So on page 2, approval of agenda,
7 and I know this is a problem always. On approval of agenda it says, "Commissioner
8 Roybal was not present and Commissioner Hamilton served as alternate." It should say
9 "Commissioner Hansen serves as alternate." And, then again also down under 4, it says,
10 "Commissioner Roybal was not present and Commissioner Hamilton..." and it should be
11 "Hansen." And then approval of minutes, I believe that I said the whole thing on line 27.
12 I don't believe Commissioner Hamilton said on page 27, under approval of minutes. It
13 goes, Councilor Ives, it goes Charles Vokes, Chair Ives, I'm sorry, and then it goes
14 Commission Hansen on page 27, I believe that is me. I'm sorry, on page 12. And then it
15 says Commissioner Hansen again, so I think that I said all of that. And Hamilton didn't
16 say anything. We're right here, Commissioner Hamilton, on page 2, line 35.

17 COMMISSIONER HAMILTON: I'm fine with it.

18 COMMISSIONER HANSEN: You see, right here on page 12. Mr. Chair,
19 then it says on page 12, where I said, "it should be Yolanda Vigil ..."

20 COMMISSIONER HAMILTON: Oh, yeah, I don't remember saying that.

21 COMMISSIONER HANSEN: She concurs with me that I said all of that.

22 And then also let's go over to page –

23 CHAIR IVES: Before leaving that page, are you clear on the direction to
24 be made?

25 COMMISSIONER HANSEN: She's used to me making corrections, so
26 she knows.

27 CHAIR IVES: Just making sure.

28 COMMISSIONER HANSEN: Then on page 3, line 11, it also should be
29 Commissioner Hansen instead of Commissioner Hamilton. And – I'm sorry, I didn't
30 have any yellow-stickers when I was reading the minutes. Okay, I think that's it.

31 CHAIR IVES: Very good. So you've captured those corrections. What
32 is the pleasure of the Board with regards to the minutes with the amendments?

33 COUNCILOR HARRIS: Move to approve.

34 COMMISSIONER HAMILTON: I'll second.

35 CHAIR IVES: Motion and a second. Any further discussion?

36 COMMISSIONER HANSEN: Move to approve with changes.

37 CHAIR IVES: Yeah, that was the predicate I stated. So we have a motion
38 and a second. All those in favor signify by saying "aye." Any opposed? Any
39 abstentions? Very good, our minutes, as amended, are approved.

40
41 **The motion passed by unanimous [5-0] voice vote.**

42

1 **6. Report on July 3, 2018 Fiscal Services Audit Committee (FSAC)**
2

3 MACKIE ROMERO (BDD Financial Manager): Mr. Chair, members of
4 the Board, a Fiscal Services and Audit Committee meeting was held on Tuesday, July 3rd.
5 In attendance was myself, BDD Financial Manager, from the County we had
6 Commissioner Hamilton, County Manager Kathryn Miller, Stephanie Schardin Clarke,
7 County Finance Director, Joe Gonzales, County Utilities Administrative Manager, John
8 Dupuis, County Utilities Director. From the City we had Andrew Erdmann, Water
9 Resource Coordinator and from Las Campanas, Ginny Sullivan and Mary Chacon.

10 I provided an update on the fiscal year 16/17 BDD audit and financial statements
11 which is due to the State Auditor on July 16th. We are on track for meeting that deadline.
12 The County finance director that was in attendance also recommended that during our
13 fiscal year 17/18 audit engagement that we meet with City and County finance staff to
14 coordinate presentation of the financial statement disclosures and any notes in the
15 financial statements. That was a great suggestion and I'll make sure we get together to
16 do that.

17 We discussed in detail consent agenda items 10, 11, 12 and 13. The committee
18 did request an expected end date for the BDD capital carve-out funding which I will
19 provide back to the committee and Board as soon as I get with Mr. Carpenter. He is not
20 in today.

21 We also discussed action items 14, 15 and 16 which the committee did have some
22 comments on action item number 15 which I will go over during my presentation of those
23 items. Are there any questions or comments from those who attended FSAC?

24 COMMISSIONER HAMILTON: Yes, I just wanted to commend Mackie.
25 Those meetings are always useful but this one she presented so much really good
26 information it was an excellent, very worthwhile meeting. I really appreciate all the
27 information.

28 MS. MACKIE: Thank you.

29 CHAIR IVES: Other questions? Timing of that City-County meeting in
30 light of delivery deadlines – any sense of when that follow-up meeting will occur?

31 MS. MACKIE: What meeting was that?

32 CHAIR IVES: You mentioned that at the recommendation of the County
33 Finance Manager –

34 MS. MACKIE: Oh, yes. That would be for our audit for the fiscal year
35 that just ended. I don't know when the audit it going to begin for BDD but once that
36 engagement does begin – I haven't met with City Finance yet. We will coordinate a
37 meeting all together to be proactive to make sure that all of the entities are reporting any
38 notes or clarifications from all the partners of BDD.

39 CHAIR IVES: Very good. Thank you for your report. Appreciate that.

40 MS. MACKIE: Thank you.
41 .

42 **INFORMATIONAL ITEMS**
43

44 **7. Monthly Update on BDD Operations**
45

46 CHAIR IVES: Welcome.

1 MICHAEL DOZIER (BDD Operations Superintendent): Mr. Chair,
2 members of the Board, the average million gallons a day flows are as follows: the raw
3 water diversions were 9.39 million gallons a day. The drinking water deliveries through
4 Boosters 4A/5A were 7.58 million gallons a day. Raw water deliveries to Las Campanas
5 was 1.48 million gallons a day. And the treated and non-treated water storage was at .33
6 million gallons a day.

7 The BDD is providing approximately 65 percent to the City and County water
8 system supply and I stand for any questions.

9 CHAIR IVES: Questions from the Board? Board Member.

10 BOARD MEMBER FORT: The question that I asked last month and you
11 didn't have any information about whether or not the river will be turned off by
12 Albuquerque –

13 MR. DOZIER: So it is my understanding that the river will not be turned
14 off at any time during the summer. It should run through August. I was not a part of the
15 meeting but Mr. Carpenter did say that the City is going to assist with the idea of adding
16 water to the river along with Albuquerque and the Rio Grande Conservancy. So we
17 should have water through August.

18 BOARD MEMBER FORT: Mr. Chairman, was that the same meeting we
19 talked about at the prior meeting?

20 MR. DOZIER: Yes, it was the same meeting.

21 BOARD MEMBER FORT: And perhaps in light of today's enormous
22 storm, something has changed, but Mr. Vokes would you comment on this? It seems to
23 me that they're probably meeting on more like a weekly basis from my understanding.

24 MR. VOKES: Mr. Chair, Member Fort, I know that Mr. Carpenter was at
25 a meeting last week. I haven't gotten an update from him. I'm sure if there was really
26 important news that he probably would have sent that out. So we can certainly email the
27 Board and let you know that the status continues based on the most current information.
28 So we can do that.

29 BOARD MEMBER FORT: Thank you.

30 CHAIR IVES: Other questions. Councilor Harris.

31 COUNCILOR HARRIS: Excuse me, Mr. Dozier, I don't know when the
32 – June 26th is when the report was created. In your statement it struck me that you said
33 the reservoirs are 22 percent full. The reservoir is expected to be empty by July 4th.
34 That's how it reads. What happened? Is that a fact?

35 MR. DOZIER: Those are the reservoirs for the Canyon Road Water
36 Treatment Plant they do not pertain to us, I guess I would say so –

37 COUNCILOR HARRIS: I know they don't but I just wondered. This was
38 your report so I thought you might have some information on that.

39 MR. DOZIER: Currently, I believe that Canyon Road is still on but they
40 will be shutting down in the next few days.

41 COUNCILOR HARRIS: Okay, all right. Thank you.

42 CHAIR IVES: Commissioner, yes.

43 COMMISSIONER HANSEN: Reservoirs are not empty. They are just at
44 the place where they are not releasing water; is that correct?

1 MR. DOZIER: The Canyon Road reservoirs are not empty but when they
2 get to a certain point they cannot treat the water anymore so it is low enough that they're
3 getting to the point where they will be shutting down.

4 COMMISSIONER HANSEN: So what is the level at which the Canyon
5 Road – what is the percentage and I see since Alex and Shannon, what is the level at
6 which the reservoirs are turned off? Because I think empty is the incorrect word to use.

7 MR. DOZIER: I believe that would probably be a better question for Alex
8 or Mr. Jones.

9 COMMISSIONER HANSEN: Hi, Alex, nice to see you.

10 ALEX PUGLISI (City Water Division): Madam Board Member,
11 members of the Board, it is true that the reservoirs are not empty right now. They're
12 actually about 24 percent and actually I was up there last week and they have not turned
13 over in terms of algae and thinks like that. But when the reservoirs get too low like 14
14 percent it becomes unusable because we'll get an algal bloom and it will affect the
15 quality of water. We have too much total organic carbon in the water to actually treat and
16 serve to our customers. But there could still be river releases so living river release or
17 other releases that are being made for acequias. In the past we have maintained those
18 releases it's just that we would not want to use the water for treatment. The other thing is
19 that once it gets down to about 10 percent we get to our dead pool which means we can't
20 pump anymore so we're below the lowest valve .

21 COMMISSIONER HANSEN: At the moment we're at 24 percent.

22 MR. PUGLISI: Correct. That's the number that I am seeing here.

23 COMMISSIONER HANSEN: Okay, and hopefully –

24 MR. PUGLISI: That's total storage. So Nichols is a little bit higher
25 because they moved water down from McClure to Nichols to keep it high so that it will
26 not turn over and McClure is lower.

27 COMMISSIONER HANSEN: And, hopefully, that thunderstorm that
28 we're experiencing right now – we're happy that it's there and we're grateful that the rain
29 is coming down.

30 MR. PUGLISI: And actually I was talking to the staff at the plant today
31 and Nick is running the plant now, and they were telling me that they're hopeful that they
32 may be able to maintain the plant if we do get some flows. But right now they think they
33 could definitely go for more than a few days so maybe a week or two weeks if we don't
34 get any rain. If we get rain, hopefully, longer than that.

35 COMMISSIONER HANSEN: Okay, thank you very much.

36 MR. PUGLISI: Thank you.

37 CHAIR IVES: Other questions? Very good. Michael, thank you for your
38 report.

39 MR. DOZIER: Thank you.

40 41 **8. Report from the Facilities Manager**

42
43 MR. VOKES : Mr. Chair, members of the Board, good afternoon. I have
44 a few items that I would like to report to the Board.

45 First, I would like to let you know that per Councilor Harris' suggestion of hiring
46 an inspection company for the vibration bracing at the raw water life station, we

1 discovered that that firm also does certification testing on welders. And so we actually
2 have two of our staff that did take the test and passed the test; Chris Encinias who is a
3 lead mechanic and Rubel Gallegos who is a BDD repairman. So we now have two
4 certified welders on staff. So that was a good opportunity and both staff members took
5 advantage of it.

6 The next item that I have is our vacancy report. We are currently at seven
7 vacancies. We have an administrative assistant position which is currently being filled by
8 a temp. We are looking at that position and the whole financial team because I received
9 Debra Harris-Garmendia, her resignation on Friday. She is being stolen by the City to be
10 the new controller. And so we want to look at that group and determine whether we want
11 to hire a new administrative assistant or what that will look like. So for a little bit it's
12 going to be the Mackie Romero show, still, again.

13 We have two advance water treatment operator positions that are vacant.
14 However, they will be filled by two of the BDD operators. We're waiting on paperwork
15 to work its way through the system to get those promotions in place. We also have two
16 charge operator positions. One of those has been selected from an AWT and again we're
17 waiting on paperwork from I guess the second floor here. And one of those is advertised
18 and I think the advertisement is closing perhaps this week so we'll be doing interviews
19 for that position.

20 And then the final position is the water resource coordinator position and that
21 position has kind of been put on hold. We're looking at organization and perhaps doing
22 something different with that one also. That's the seven vacancies that we have.

23 I also wanted to mention the project management and fiscal service agreement or
24 as we would like it named, the support entity and fiscal service agreement. As you know,
25 this is an agreement that is looked at every five years and then it is determined whether
26 either the City or the County or something else will support the BDD. The latest version
27 of that, I believe, went to the City back in May of '16 and then there's been some
28 conversation about it since then and you all have just passed that on a monthly basis. So
29 we're still waiting for that agreement. The reason I'm bringing this up is that we
30 received notification from the City finance group that they were concerned about us not
31 paying our fleet and our IT bills. So we informed them that as part of the support entity
32 agreement that was included. I believe that we're going to be setting up a meeting with
33 City finance and the BDD staff to work through that issue. But I wanted to bring that to
34 the Board's attention.

35 The committee that looks at the support entity agreement, typically there's been a
36 group assigned to do that. From the County it is the public works director and public
37 utility director and financial manager in the group or their designee. The City, it's the
38 public utilities director, the financial manager and the water resource and conservation
39 manager. And then from the BDD, the facilities manager, the financial manager, and
40 then the administrative assistant also participated in the work up of that agreement.

41 I believe that Nancy has sent the latest version of the agreement back to legal and
42 back to the rest of the group to be reviewed and so that's really where the status of that
43 agreement is, is working out the final details and then bringing it back to the Board for a
44 decision. So I will take questions on that issue or any other issues from the Board.

45 Thank you.

46 CHAIR IVES: Questions from the Board?

1 BOARD MEMBER FORT: Mine is on a somewhat different topic. In the
2 minutes at page 5 we had a discussion about setting the study session on water quality
3 standards and I just would like to keep it – I know that Kyle is maybe unavailable today –
4 but I just would like to keep it on the agenda and be assured that it is on your list of
5 things to happen.

6 MR. VOKES: Yes, thank you for the reminder and I will get with Kyle
7 and we will see how soon we can get that achieved.

8 BOARD MEMBER FORT: And, Mr. Chairman, it would certainly be
9 fine from my perspective if it were set up by the Buckman staff rather than or in addition
10 to Kyle.

11 MR. VOKES: Okay, thank you.

12 CHAIR IVES: Commissioner.

13 COMMISSIONER HAMILTON: Going back to the fiscal services
14 agreement. So mention of the committee that had been formed two years to work on this,
15 I would like to recommend that that committee be reinstated as staffed previously. First
16 of all, my understanding is that the County just received a bunch of revisions from the
17 City at least from Bruce Frederick to look at; is that true? It's a draft.

18 NANCY LONG (BDD Board Counsel): Mr. Chair and Commissioner
19 Hamilton, I would describe it as some sort of minor revisions that were made based upon
20 some City input that we received having to do with the default provisions being mutual
21 rather than just one-sided. I had to redo some of the recital paragraphs just to take care of
22 history. But I would say that they were fairly minor changes but it may be that he hasn't
23 seen it in a long time.

24 COMMISSIONER HAMILTON: Okay, so my thinking on this is that
25 this thing has floated around for two years now and a lot has potentially changed in two
26 years. Mr. Vokes just pointed out an issue that the City has brought up that's new, a new
27 issue about items that are not in their view included under the fiscal service agreement
28 under whatever the percentage the fee is actually settled on. And Mr. Vokes just
29 suggested that BDD staff and the City are going to talk about that and I actually feel like
30 that is something that needs to be discussed on a broader basis including all the partners
31 and I would like to see information for example – and potentially revision of the
32 agreement to reflect more accurately what's included in the fiscal services agreement and
33 what the associated costs are as a way of determining what the percentage really should
34 be. It's very likely that 1 percent isn't enough but 4 percent is a lot and especially if other
35 things are going to be added excluded from that 4 percent and added. I think having the
36 committee together and actually gathering the data on what the real costs are would be a
37 good way to go. So that's my suggestion.

38 CHAIR IVES: And I think it's a very good suggestion. Certainly, having
39 the group that has been working on this for an extended period of time picking up that
40 charge would be very helpful. I think it would also be helpful at least for us depending
41 on how much of that history that we have and understand to have if nothing else a study
42 session so that we can dive into those same issues. And I would love to do that on a
43 sooner rather than later basis especially if there are questions being raised by the City
44 about the inclusion of certain costs because two years, quite frankly, is too long to have
45 been letting that float out there. So I think finding a time specifically to hold a study
46 session would make great sense and we should definitely try and move that forward.

1 COMMISSIONER HAMILTON: One might interpret a study session as
2 being like for them to inform us as a board and so, not that it is not a good idea, I agree.
3 And frankly, I would have no objection to adding the chair and vice chair from the Board
4 to the committee as described by Mr. Vokes and also in a little more detail by Mackie at
5 that Tuesday financial services part of the – whatever we call ourselves. I always get the
6 initials wrong. I think that would be really valuable because this thing is floating around
7 and there's a process that we discussed on Tuesday that this committee actually
8 proceeded with that would address some of the things that are just technically addressable
9 with facts, you know, factually addressable. Nancy, do we need – should this be a
10 motion if we actually want to do this?

11 MS. LONG: Mr. Chair and Commissioner Hamilton, we don't have that
12 agreement or matters related to that agreement as an action item on your agenda. But I
13 think this discussion –

14 COMMISSIONER HAMILTON: But it was part of Mr. Vokes' report.

15 MS. LONG: Yes, but taking action on it, I would not recommend. I think
16 you're making a recommendation as well as the Chair is, is what I am hearing, maybe
17 putting this committee back together and then maybe having a session with the Board and
18 the staff can certainly work on that if that's what we're hearing.

19 COMMISSIONER HAMILTON: I would appreciate that.

20 CHAIR IVES: Well, I think the objective would be to create an agenda
21 item for addressing the revised MOU and action either, I don't know if next month is too
22 soon given getting this group together and –

23 COMMISSIONER HAMILTON: I don't think it is too soon.

24 CHAIR IVES: -- in which case why don't we tentatively have an agenda
25 item for our next meeting that we'll consider approval of the redrafted form of the MOU.

26 MS. LONG: Mr. Chair, I would suggest that if there is an inclination to
27 put a committee back together and then maybe have a preliminary session with the Board
28 before it's approved, that next month would be too early for the Board to approve such an
29 agreement. But there could be an action item related to the process that the Board would
30 like to see and we could make recommendations as to who should be on that committee
31 and put that group back together.

32 COMMISSIONER HAMILTON: I misunderstood you, Mr. Chair, I don't
33 think it is too soon to get the committee together. The committee will take some time.
34 Certainly one of the things that needs to be pulled together is the support information on
35 what the costs are to the City for doing the services. What services are included and how
36 those should be worded in a new agreement. So I was thinking you were asking me
37 whether it was too soon to get the committee together and that's what I feel we should do
38 as soon as possible. And I would say we take a couple of months maybe, but that's partly
39 up to the committee.

40 CHAIR IVES: Well, and it sounds like this is a committee that was
41 formed and I don't know whether it was formed based upon titles, i.e., positions held or
42 particular individuals. If it was positions held then I think we simply want to direct that
43 committee to do its work and get 'er done and bring it to the Board with all deliberate
44 speed. Maybe not this coming month of August but maybe September is a fine time to
45 try and have this issue settled.

1 COMMISSIONER HAMILTON: That sounds good to me. I think that's
2 – I do believe it was formed on positions and I think that's a great recommendation. I
3 appreciate it.

4 CHAIR IVES: Commissioner.

5 COMMISSIONER HANSEN: Since I have not been in the loop on this
6 but since the positions are the group I would like to know what the positions are so I
7 assume that we could discuss that next month.

8 COMMISSIONER HAMILTON: No, he just read them out and Mackie
9 summarized it at the financial meeting.

10 COMMISSIONER HANSEN: Yeah, I heard a number of the names but I
11 don't have that all in front of me. So could we hear what the positions are that are on the
12 financial committee again?

13 MR. VOKES: In the original agreement it was recommended that from
14 the County it would be the public works director, the public utilities director and the
15 financial manager. From the City, the public utilities director, the financial manager and
16 the water resources and conservation manager. From the BDD, the facilities manager, the
17 financial manager and the administrative coordinator. Those positions, I know the
18 committee they had designees, so the committees were at least since I've been here not
19 made up of those actual people in those positions but many times of designees, where
20 someone else was asked to attend instead. But that was the list from the original plan.

21 CHAIR IVES: So I think requesting that group to gather in that the Board
22 would like to be able to make a decision based on recommendations brought forward in
23 September given that it's been two years in process hopefully could be accomplished. I
24 sense some hesitancy but if we don't set a goal as they say, it'll never get done. Let's set
25 that goal and if we can't meet it, we can always adjust it but that gives us a reasonable
26 period of time especially if there have been modifications going back and forth. So it
27 sounds like it is everybody's crosshairs for dealing with. Councilor.

28 COUNCILOR HARRIS: Yes, I have spoken to this in the past because it
29 has been two years and we budgeted the last two years at 4 percent and we budgeted for
30 this year at 4 percent and it has been at 1 percent during that time. So, you know, I don't
31 know what the fiscal services agreement, what the current draft looks like, and what level
32 of analysis went in to determine if it was 4 percent. Are there other factors that have
33 come up in the last two years? But really, this is time to resolve it. And maybe this
34 process works. It sounds a little bit cumbersome to me. I'm almost inclined to see what
35 the County attorney has to say, see what our people have to say and see what it looks like
36 and get a chance to look at it. Maybe there is an analysis in there that is not clear to us
37 now but anyways it is a little disheartening to hear that we're going to reconstitute a
38 committee, it sounds like a fairly cumbersome committee to me with designees, and so –
39 that's all I have to say. And maybe it can move faster than what I think but, again, my
40 issue is what's been budgeted and what's been agreed to prior to us but there's been no
41 implementation in the meantime the City is fiscal agent at 1 percent so anyways, I'd just
42 as soon see the agreement quite frankly, after it's been touched by the County attorney
43 and the City attorney.

44 COMMISSIONER HAMILTON: Mr. Chair.

45 CHAIR IVES: Yes, Commissioner.

1 COMMISSIONER HAMILTON: Two things. First, this is not the new
2 start of the committee. So there's a lot of stuff that they don't have to do. And they
3 should be able to start from where the information that was left off from last time. So –
4 but the very fact that the City is proposing to put charges through to the BDD that haven't
5 been done all these past years and there's no way to ascertain by read of the current
6 agreement whether those things actually should be part of the 1 percent or 4 percent or
7 3.792 percent or whatever it should be. I suggest that it shouldn't be that cumbersome of
8 an exercise to update the financial information that was generated. There are some
9 people, including Mackie who is a carry-over from [inaudible] and has a lot of historic
10 knowledge. So there are a lot of things they don't have to go through and do but
11 understanding and redrafting the justification for the percentage and what's actually
12 covered under that fee I think is needed.

13 COMMISSIONER HANSEN: And also on the County side, we have a
14 new public works director. We have a new utility director and we have a new financial
15 manager. And I feel that all of those people need to be brought up to speed and be
16 included in the conversation. So that would be really important to me.

17 COUNCILOR HARRIS: So, again, I'm certainly willing to work with my
18 colleagues from the Board from the County any anybody else and if we do kind of start
19 down this road once again that we know that there's going to be an adjustment for the last
20 two years from the City. So let's just say we end up at 3 percent, well, I would want to
21 see an adjustment for the last two years plus any – for the months also associated with
22 this in terms of fiscal agency. And maybe that will provide a little more impetus to get
23 this done and get this resolved. But that's what I've been saying for a couple of months
24 now is to get it resolved.

25 COMMISSIONER HAMILTON: And why would you want to see the fee
26 to be retroactive for all of that time?

27 COUNCILOR HARRIS: Well, again, if it's a real cost to the City then –
28 and if your point of view, Commissioner, is to really identify what's appropriate in terms
29 of fiscal agency then that would apply to what's going forward as well as what's
30 happened in the little over last two years. So anyways, this is something that needs to be
31 resolved and it's money and I think that the sooner the better. And, again, I'd like to see
32 where we stand after the attorneys bless it. I don't think that that really gets in the way of
33 anything. It kind of just tells us where we stand now and maybe there's more there then
34 we think but maybe we still need to move forward. You can still reconstitute the
35 committees. Anyways, that's probably all I have to say.

36 CHAIR IVES: And we do want to move on but I would say hopefully that
37 the conversation to this point has indicated that everybody else wants to get this moved
38 forward and resolved as well. So shooting for September I think is a reasonable time. We
39 likewise have a new director of public works, that wasn't one of ours but a new financial
40 manager coming in so it's fair to state that we'd like to make sure that everybody is up to
41 speed and knowledgeable. And of course I think the fact that we have budgeted the last
42 two years for the 4 percent indicates some of the thinking for where we are all on that
43 particular issue but we can deal with those details after we get the recommendation of the
44 group that has been constituted to make a recommendation to this body. So we will
45 move forward accordingly.

46 Chuck, anything further in your report?

1 MR. VOKES: Mr. Chair, I think not.

2 CHAIR IVES: Very good. And we had the reading of Doubting Thomas
3 at the Mass earlier this week so I was glad that Board Member Fort went and opened the
4 window so we could see what that strange sound was and stick our fingers in it sort of
5 speak.

6 COMMISSIONER HAMILTON: I was going to do the official thank you
7 also for this rare event.

8

9 **9. Update on BDD Treatment and Water Quality Items**

10

11 MR. VOKES: Mr. Chair, as you are aware we have been reporting the
12 last two months on where this committee is so we felt that it was appropriate to bring you
13 a report so that you would understand the work that has been done this past month. So
14 I'm going to introduce Jay Lazarus with Glorieta GeoScience to give you that update.

15

16 JAY LAZARUS: Chairman, Commissioners, Councilors, thank you.
17 We've been working to try and wrap up the TREAT 1 through 4 studies and determine
18 our path forward. A lot of the study has been centered around the granular activated
19 carbon, the GAC, sort of like something out of Mars Attack or something like that. The
20 interesting thing about the GAC and these processes is the GAC is a biological filter and
21 also a disposal media. So there's actually a function and a disposal aspect to the GAC
22 that has to be addressed that hadn't been addressed before. And we actually have five
23 tasks ahead of us and this was determined in meetings with myself, Mr. Carpenter, Mr.
24 Puglisi, Mr. Schneider and Mr. Vokes and the first one is we're going to wrap up TREAT
25 1 through 4. We're going to post documents on the web. Documents have been provided
26 to BDD staff. They have not been posted on the web yet but staff has that and we're
27 looking forward to them being posted on the web. We're looking at possible correlations
28 between the plant and the river data and the results of that. This will be very helpful in
29 setting up what we're going to call TREAT 5 and 6. Remember the TREAT studies are
30 looking specifically at the finished water. We look at the chemistry in the treatment train
31 as part of it and Mr. Bearzi explained that in great detail at the last Board meeting. But at
32 this point in time we're going to use the 1 through 4 data to set up TREAT 5 and 6.

32

33 We're also going to develop standard operating procedures and make sure that we
34 do these in conjunction with LANL because they have a lot of – I'm going to try and not
35 use acronyms and if I do tell me not to – but the standard operating procedures will be
36 looking at what LANL has for theirs. Our company also works for the Nye County
37 Nuclear Waste Office that has Yucca Mountain in the test site within Nye County. We'll
38 be comparing those SPOs to what we've developed for Nye County.

38

39 Also, we're going to work with whatever analytical laboratory that BDD selects
40 to make sure that the sample results are in format that is easily uploadable and we don't
41 have to go through laborious data entry, quality assurance, quality control of moving it
42 from a lab sheet to a spread sheet and then having somebody check all of that. So
43 hopefully we'll be able to have whatever analytical laboratory is selected post that
44 directly into the format that BDD has.

44

45 We're going to be developing health and safety plans, standard operating
procedures, sampling and analysis plans, quality assurance project plans, data quality

1 objectives for the GAC sampling for both TREAT 5 and 6 and GAC. These have not
2 been developed earlier and were not part of the TREAT sampling or the GAC sampling.

3 We're also working with Mr. Dozier looking at the specific points within the
4 sampling train. We call the plant effectively we've got the sampling train within the
5 plan. So we're working with Mr. Dozier to identify all the myriad of different sampling
6 locations that he's got. Whether it's instantaneous readouts or other type of sampling to
7 identify which would be most appropriate to sample in both TREAT 4 and TREAT 5 as
8 well as the river water and what we're looking at in the sampling train. And as some of
9 you may or may not remember there were some spurious results from the laboratory
10 showing different points in the treatment train where the total, specifically zinc, was less
11 than the dissolved and it can't just work that way. So we're working with that. And then
12 we'll be doing GAC sampling for radionuclides, metals, volatile organics and semi-
13 volatile organic compounds. And really it's about establishing appropriate sampling and
14 pathway to determine whether or not there is any type of materials that might require
15 other regulatory interaction for disposal of the GAC. And we will be, our company will
16 be overseeing the actual GAC sampling once that is all developed and that's where we're
17 going to be heading on this and what will be posted to the website is a TREAT study
18 summary, raw data table – and all of this has been provided to BDD staff to be uploaded
19 to the website – the quality control protocol document, a power point presentation which
20 Mr. Bearzi presented at the last meeting and the explanation of the limitations of the
21 study document. And I'll be happy to answer any questions.

22 CHAIR IVES: Questions of the Board? Commissioner.

23 COMMISSIONER HAMILTON: I guess the general timeframe is for
24 what you just presented.

25 MR. LAZARUS: Well, based on what I heard it's going to be a little – we
26 can put together all of the acronym work over a couple of month period depending on
27 what we get back from LANL and how that interaction goes. But if the river is going to
28 be shut off – it may or may not be, thank you – but if the river is going to shut off in
29 August that will definitely have a big impact on being able to do the sampling that we
30 want to do. We're also very interested in determining whether what has been originally
31 designed as a complete recycle facility is actually concentrating contaminants within the
32 recycling process itself. Personally, whenever I see a zero discharge facility I sort of
33 raise my eyebrows and wonder how that works no matter where it is or what it is. But
34 we're looking to see if any contaminants are being concentrated within the treatment train
35 as part of the total recycling too. I hope that answered your question.

36 COMMISSIONER HAMILTON: Yes, that's good. I mean I assume, so
37 some of the process, SOPs and the sampling plan all have to come before the additional
38 sampling, the GAC sampling is a separate issue from the water treatment train sampling
39 so I presume except for getting those SOPs done that could happen, potentially, sooner
40 than TREAT 5 and 6.

41 MR. LAZARUS: Well, I think we'd want to include that – [Power outage
42 occurs] We want to put together all of the SOPs and all the acronyms for the GAC and
43 the TREAT study for the finished water all at the same time. That will really lead to the
44 greatest efficiencies in putting these together. And so for TREAT 5 and TREAT 6 what
45 we want to make sure is that we're sampling the river both in times of low turbidity and

1 high turbidity to see how the plant is reacting to that also. So, there's certain art to
2 determining when we're going to be able to have those kinds of conditions too.

3 COMMISSIONER HAMILTON: That's great, thanks. Thank you, Jay.

4 CHAIR IVES: On that point, am I correct in remembering that the
5 TREAT 5 was at least scheduled for sometime around September, i.e., this fall?

6 MR. LAZARUS: That would be our anticipated time. Once, again,
7 depending on river flows.

8 COUNCILOR HARRIS: Mr. Chairman.

9 CHAIR IVES: Councilor.

10 COUNCILOR HARRIS: Thank you, Mr. Lazarus. I know we had to cut
11 your colleague short a month ago and I think you probably took that to heart and so
12 you've given us a lot of information in a very short period of time. So I'm wondering if
13 the information that you've relayed how that will be available. I know we talked about
14 TREAT 4 and 1 through 4 being posted on the website but what you described in the
15 protocol will that show up as part of your quality assurance statement which, again, was
16 explained to us by Mr. Bearzi that typically the definition of how you're going to proceed
17 in many ways the questions you want to ask are – anyway, how will this program, this
18 phase of it, be expressed for our understanding as well as the public understanding?

19 MR. LAZARUS: Mr. Chairman, Councilor, everything that we described
20 and that I tried to get through quickly, including Mr. Bearzi's power point, is supposed to
21 be posted to the BCC website. When that happens that is up to staff. I know that they
22 have been provided everything from Mr. Bearzi and the technical team to post it to the
23 website so that's something that BDD staff has to undertake and get onto the website.

24 COUNCILOR HARRIS: Okay.

25 MR. LAZARUS: Anything we do in the future for developing all of these
26 sampling procedures and quality assurance procedures and things like that, we would
27 strongly urge staff to post that to the website too to have as much transparency as
28 possible with our customers.

29 COUNCILOR HARRIS: Okay, very good. That was my question. Do
30 you have anything to add to that, Mr. Vokes, in terms of posting the website and what
31 kind of timeline we would be looking at there?

32 MR. VOKES: No, I believe that the information has been shared and
33 that's actually Ms. Padilla's job is to put it on the website and she should be able to do
34 that within the next few days, I would expect.

35 COUNCILOR HARRIS: All right. Okay.

36 MR. VOKES: Thank you.

37 COUNCILOR HARRIS: Thank you.

38 CHAIR IVES: Commissioner.

39 COMMISSIONER HANSEN: So is this information that's going to be
40 placed on the website, is it something that I, as a layperson, am going to be able to
41 understand what you're saying?

42 MR. LAZARUS: I would say that you're going to see a voluminous Excel
43 table that your eyes will cross, okay. But all the other documents are as plainspoken as
44 we could have them. I really believe that for laypeople's best understanding the power
45 point would really be the best tool, Commissioner. We tried to present the power point in
46 as simple and plain – or develop the power point and present it in a simple and plain

1 language as we could. And that really is a summary of everything else that would be
2 posted to the website. Was the power point in plain enough English?

3 COMMISSIONER HANSEN: Yeah, but I did not really feel like the
4 power point gave me any information at all. Like I want to know what's the level of
5 plutonium. What's the level of chromium that you found. And for me to read these
6 tables is a little sometimes beyond my – I'm not a PhD in biology. I have a Master's
7 degree and I can certainly read all of this information but you know to understand the
8 effect that it has on our water quality and what is really happening is something that I
9 want to know. I am concerned.

10 MR. LAZARUS: Mr. Chairman, Commissioner, I don't want to read the
11 tables either, okay. So the summaries we have are all very straight forward. There has to
12 be a certain amount of technical terms in it because that's how we do it. If you'd like,
13 we'd be happy to meet with you and staff to go over them to make sure that you think
14 they're in a format or a type of syntax that would be user friendly to someone who is not
15 here. I think the most important thing, I appreciate your concerns and everyone's
16 concerns, but I think it's really important to remember that the staff at the Buckman
17 Direct Diversion is providing drinking water to the community that meets all, meets or
18 exceeds all drinking water standards. And I think that's the message that we have to get
19 out to the community. Even though there have been some representations that there may
20 be contaminants in there that we don't necessarily agree with the representation or the
21 analysis, all the drinking water standards, federal and state drinking water standards are
22 currently being met and I think that's the message we have to get to the public and I think
23 that was made pretty clear in the power point presentations last meeting.

24 COMMISSIONER HAMILTON: Mr. Chairman. Just to follow-on from
25 that. I just wanted to point out that for example there is a graph of plutonium that shows
26 the values and the detection limits which are higher and the safe drinking water standard
27 for gross alpha which is the controlling standard for plutonium which is much higher than
28 that. So from the table there is a relatively straight forward summary. So are you asking
29 for like a verbal summary of conclusions from these graphs that should be posted as
30 well?

31 COMMISSIONER HANSEN: I think something like that might be
32 helpful, you know, for the public to have some reassurance in the water quality. I think
33 it's great to say that we have met all drinking water standards but the reality is is that
34 there is no drinking water standards for certain elements like plutonium and, you know –

35 COMMISSIONER HAMILTON: There is a controlling standard for
36 plutonium.

37 COMMISSIONER HANSEN: There might be a controlling standard but
38 there are things that are in the water that do not have – and I don't have a list in front of
39 me right now but maybe it would be of benefit for me to meet with you and discuss my
40 concerns.

41 MR. LAZARUS: Sure, we'd be happy to do that, Commissioner.

42 COMMISSIONER HANSEN: Okay.

43 CHAIR IVES: And if there are issues with that that are reasonable to get
44 up on the website to note that according to the standard operating procedures everything
45 that is normally tested for is well within the bounds of the drinking water quality
46 standards but there are other items that are not tested for. I suppose one could state that

1 but I would hope it would be accompanied with a statement about why those are not
2 tested for if that makes sense because I imagine that the impact on health are not
3 necessarily clear and some is that they haven't gotten to them yet and some they don't
4 want to. I don't know but I hate to try and alarm people unnecessarily if we're meeting
5 all the standards and just want to say there might be other things out there. I don't think
6 we're serving anybody's purpose if we be alarmists.

7 COMMISSIONER HANSEN: I have no intention to be an alarmist. We
8 do have a nuclear laboratory on the hill and we have contaminants that are coming down
9 the hill into our water and that is a fact. It's not always known what those contaminants
10 are. How high the radionuclides are, how dense they are and so we are in a very unique
11 situation. There are only two or three, five nuclear laboratories in the country and this one
12 happens to be right above our water system, where we're taking water.

13 CHAIR IVES: Commissioner.

14 COMMISSIONER HAMILTON: A couple of things. I think it's very
15 right to be concerned about things we know about, right. So we know what kinds of
16 things to test for from LANL and I think some of those, most of those, have been tested
17 for. The radionuclides are a standard thing to test for. The Commissioners is also correct
18 that there are a lot of things that aren't regulated. Many of those things are like
19 pharmaceuticals, personal care products, hormonal-mix – there are things that EPA has
20 not done. There is a growing body of literature to document their status but of course
21 right now there's a hold on EPA from doing any criteria development. But I believe and
22 maybe Mr. Vokes can speak to that but part of the objectives, one of the objectives for
23 doing the TREAT studies was to look at a much broader array of things. This isn't really
24 – as far as my earlier part of my statement was to indicate that some of these things don't
25 address Commissioner Hansen's point about looking at concerns related to LANL which
26 is sort of separate. But I think part of the idea of the TREAT study was to look at a
27 broader spectrum of contaminants and understand what things are treated for because you
28 understand that like a sewage treatment plant a lot of water treatment plants are built to
29 treat for things that we know about and certain kinds of common contaminants. And we
30 have all sorts of what EPA calls "emerging contaminants of concern" and I am pretty
31 sure the study looked at a broader spectrum of these things to find out which things
32 happened to get treated for even though they were never originally a target of the process
33 and which things aren't and are passed through it. So some of that information is
34 documented as well and I think that is to the credit of the BDD to try to put forward that
35 information which are in the tables. And certainly we could do a lay summary, an
36 executive summary of those results and post that as well.

37 MR. LAZARUS: Mr. Chairman, Commissioner, I am glad you brought
38 up the term emerging contaminants. And the reason is, our company has published an
39 Mcons. Several years ago we started looking at them for other types of clients we have.
40 And the reason they were called emerging contaminants is because a few years ago is
41 only when the laboratories had equipment that they could get their detection limits down
42 to the parts per billion concentrations. So in a certain sense it is not quite brand new but
43 it is brand new because of the laboratory detection abilities now have been going down
44 more to the parts per billion detection concentrations and mostly looking at what's
45 coming out of sewage treatment specifically. The radionukes, that's just pretty common.
46 Very often for uranium there's the standard for the actual uranium as a quasi-metal and

1 then there's the radioactive emission portion of it that is regulated too. For plutonium the
2 only regulatory standard for plutonium is resuspension of particulates in air for an
3 inhalation pathway and in water the only thing that you look at is the gross alpha
4 emissions and not actual plutonium if you may.

5 CHAIR IVES: And I think we are intending on having eventually a
6 meeting on water quality issues in the Rio Grande. Really what you're dealing with are
7 these studies that are ongoing which I think are significant. Clearly, there are broader
8 questions. I'm not sure that you're tasked necessarily with answering those broader
9 questions because our TREAT studies are pretty well defined which doesn't mean we
10 can't ask additional inquiries and participate in trying to help define TMDL limitations
11 for the Rio Grande. But that is a much broader conversation I think than the TREAT
12 study and – I forget how you describe it – but basically the sampling study within the
13 plant to see if there is concentrations occurring and those types of things. Is that a fair
14 statement?

15 MR. LAZARUS: Yes, Mr. Chairman. And in terms of a TMDL that
16 would be a multi-year process that would be undertaken by the Environment Department
17 Surface Water Quality Bureau and they would – they develop TMDLs several times a
18 year for different generally perennial stream reaches. Lower Santa Fe River has a
19 TMDL. And so it would be something if the Board wanted to pursue, it would be my
20 suggestion that we get together with the Surface Water Quality Bureau at the
21 Environment Department and talk about the contaminants of concerns or Mcons and start
22 trying to develop a TMDL sampling program to see what's there. That could also,
23 hopefully, go hand-in-glove with both the TREAT study looking at the raw river water as
24 well as what's going on inside the plant and see how that would be looked at in the
25 finished water also.

26 COMMISSIONER HAMILTON: Mr. Chair, I am embarrassed to say I
27 got momentarily distracted. Which TMDL are referring to?

28 MR. LAZARUS: Well on the Rio Grande for these Mcons there aren't
29 any TMDLs right now.

30 COMMISSIONER HAMILTON: I know, so were you speaking
31 generically about TMDL process?

32 BOARD MEMBER FORT: He is suggesting we support the Environment
33 Department in developing them for this stretch for these contaminants.

34 MR. LAZARUS: Pardon me, Commissioner. So if the Board is interested
35 – I heard you say TMDL and so – or it was the Chairman who said TMDL.

36 COMMISSIONER HAMILTON: The Chairman did.

37 MR. LAZARUS: So if the Board is interested in developing TMDLs for
38 these emerging contaminants or other contaminants of concern, the place to start is with
39 the Environment Department.

40 COMMISSIONER HAMILTON: Yes, thank you. Thanks for the repeat.

41 CHAIR IVES: Other questions? Very good. Does that complete your
42 report?

43 MR. VOKES: Mr. Chair, I would like to try and maybe bring this back.
44 The TREAT Study was a tool to be used to optimize the BDD processes. As you know,
45 it is one of a handful of a very advanced water treatment facilities and so the proposal in
46 running the TREAT Study was to provide information to the operators as to how they

1 may effectively do a better job in treating whatever the plant can treat. There are
2 certainly things that we're required to treat that we are treating and meeting those
3 standards and surpassing those standards. There are some things that we are reducing
4 and then there are some things that we are not equipped to treat and we are talking in
5 parts per trillion, parts per billion levels. And so that was the original point of the study
6 was not to get carried away in the science but simply provide a tool to the operations staff
7 that maybe they increase the dose of ozone at one point of the year or maybe we do a
8 better job backwashing the biofilters or maybe it is appropriate to change out the carbon
9 on a three-year basis or a five-year basis based on these results. We've gotten a little bit
10 bogged down in the results but have forgotten about the purpose of the study which is to
11 allow the staff the information they need so they can optimize the treatment so that
12 whatever we treat is done the best that we can do regardless of even better than what the
13 standards require us to do. So that's my attempt to kind of bring this make if I may, thank
14 you.

15 CHAIR IVES: I appreciate the clarity. I think ultimately we're going to
16 move forward on both these fronts in due course. Other questions in connection with the
17 report? In that case, thank you for your report, Mr. Vokes.

18
19 **CONSENT AGENDA**

20 **11. Request for approval to reauthorize unexpended funds approved by the**
21 **BDDDB from the BDD Capital Carve-out budget**

22 **a. Request for approval of Budget Amendment Resolution \$344,811**
23

24 CHAIR IVES: This item was pulled, Councilor.

25 COUNCILOR HARRIS: Yes, I am very aware of our time so I will be
26 very brief. I didn't know when I looked at the historic costs and this goes back quite a
27 ways, well before my time. And so I guess what I was struck by is that we had a total
28 historic cost, we had a total of \$483,000 for professional services both engineering and
29 legal. That's 694,000 in terms of the various vendors for habitat mitigation and other
30 things. And so I was just wondering if those historic costs were essentially startup costs
31 and why they were so high in comparison to the work that was done. And then also, I
32 mean I know we're moving forward with projected expenses, but at what point does this
33 program wrap-up or does it go on for another round yet to come? And if so, can we take
34 advantage of the work that's been done historically?

35 MS. ROMERO: Mr. Chair, Councilor Harris, unfortunately, Mr.
36 Carpenter is not here so I will do my best to try and answer some of these questions.
37 He's the project manager on this project. You are right, the committee did ask for an end
38 date on this project so I will get with him to see. As you know, this money is just about
39 spent and if that will do everything that the project was intended to do or is there
40 additional costs that BDD's operating budget would have to incur to finish this out.

41 You are correct, there were major costs in the beginning and that was to restore
42 the habitat down at the river as part of the permits and agreements that we had. Right
43 now the plan was to go back and look at the habitat plan and update that if any update is
44 necessary. It does take a couple of years for those plants and see if they've survived and
45 possibly having to replant some additional planting down at the restoration down there.

46 COUNCILOR HARRIS: Right.

1 MS. ROMERO: And I don't know if Mr. Vokes would like to add
2 anything in addition to that habitat restoration project.

3 MR. VOKES: Mr. Chair and Councilor, I don't know that I have any
4 additional information. Mr. Carpenter is really the one that has been driving this project.
5 If we want to do a more detailed report we can certainly put that on the agenda for next
6 time.

7 COUNCILOR HARRIS: Yes, I'd like to hear just a little more
8 information about the program. And like I say, what started me down this road was I was
9 just struck by the imbalance, what I see as an imbalance between the professional
10 services and like you say the habitat restoration. But, again, if that's the initial, the start-
11 up costs for the plan I would just like to know where we stand and if in fact this last
12 allocation will wrap us up for the time being anyways.

13 MS. ROMERO: Okay, yes, we will bring that back. Thank you.

14 COUNCILOR HARRIS: Thanks. I'll move to approve, Chair.

15 CHAIR IVES: Very good. We have a motion is there a second?

16 COMMISSIONER HANSEN: I'll second but I have a comment.

17 CHAIR IVES: Board Member Fort, first.

18 BOARD MEMBER FORT: Mr. Chairman, I feel like I am not as well
19 informed. I am informed in a general way about what's going on here but I would
20 actually ask for parliamentary advice, but would there be any difficulty if we waited
21 until a meeting where we have everyone present who can talk a little bit more? I don't
22 even understand the share, Buckman's share of these expenses. I'm not sure what legal
23 expenses are going to be going forward and so. I would like more discussion.

24 COUNCILOR HARRIS: I'll withdraw.

25 CHAIR IVES: Let me direct a question to ask as to whether or not
26 postponing this matter to say the next meeting of the Board would cause any difficulties
27 from timing perspectives with any of this?

28 MS. ROMERO: Mr. Chair, members of the Board, so the budget was
29 already approved. It's kind of ongoing. It's been carrying over every single year and I
30 brought this back for a reauthorization just to kind of be more in line with the City's
31 policies as far as budgeting. They don't technically do multi-year budgeting. But from a
32 sense, this is ongoing projects and expenditures keep occurring so this is just to take care
33 of actually budgeting it and trying to be more in line and financially sound in getting this
34 money budgeted and getting your approval to budget these funds.

35 CHAIR IVES: I know we have request for the formal adoption of the
36 fiscal 2019 annual operating budget as a matter. Are you saying that this rolls up into
37 that?

38 MS. ROMERO: This is different. It's separate. We track it in a separate
39 fund within BDD's operating budget so we call this the carve-out. This is just a separate
40 fund and, again, I was just trying to get this budgeted to be more in line with some of the
41 City's financial policies as far as budgeting goes.

42 CHAIR IVES: What I'm hearing is that it would not be a bad thing to
43 postpone until we have staff here to answer questions.

44 MS. ROMERO: That's okay. We would be okay to do that.

45 CHAIR IVES: Okay. What is your desire with regards to your motion?

46 COUNCILOR HARRIS: I'll withdraw my motion.

1 CHAIR IVES: The motion is withdraw and acceptable to the second.
2 What is the pleasure of the Board?
3 COMMISSIONER HANSEN: I just want to comment that I agree with
4 Councilor Harris that I would like more information about this also. So I think that's
5 perfect.
6 BOARD MEMBER FORT: Move to table.
7 CHAIR IVES: Do we want table or do we want to postpone until the next
8 Board meeting?
9 COUNCILOR HARRIS: Postpone.
10 BOARD MEMBER FORT: Move to postpone.
11 CHAIR IVES: We have a motion to postpone until the next Board
12 meeting. Is there a second for the motion?
13 COUNCILOR HARRIS: Second.
14 CHAIR IVES: We have a motion and a second. Any further discussion?
15

16 **The motion to postpone passed by unanimous voice vote.**
17

18 CHAIR IVES: Thank you, Mackie. And we'll try to make sure staff is
19 here to answer any questions that the Board might have at the next meeting.
20 MS. ROMERO: Yes.
21

22 **13. Request for approval to enter into a Joint Funding Agreement with the US**
23 **Geological Survey in the amount of \$52,219 for operation and maintenance**
24 **of the monitoring station equipment for FY 18/19**
25

26 CHAIR IVES: Again, Councilor Harris.
27 COUNCILOR HARRIS: Thank you, Chair. So I see this is a three-phase
28 project under a joint funding agreement. I assume since USGS as the party of the first
29 part is not participating in the third phase, I assume they participated in phase one and
30 phase two. So this might be a question for Mr. Vokes, because phase three is for
31 operation and maintenance of the monitoring equipment – how does this work? I mean,
32 we are paying USGS to operate and monitor the equipment; is that correct?
33

34 MR. VOKES: Yes.
35 COUNCILOR HARRIS: Okay, that's what I thought. So we assume this
36 is probably going to be an annual ongoing cost for the near future or maybe forever?

37 MR. VOKES: Yes, Mr. Chair and Councilor, yes, that's the intent. As
38 long as we need the data that is coming out of that station as part of the stormwater
39 monitoring program then we would continue to pay them to operate it. This particular
40 station sits about 1,000 feet above the diversion and it collects the information that the
41 Otowi Gauge doesn't collect. So the difference between those would then be due to a
42 runoff either from Los Alamos Canyon or other canyons that would flow into the Rio
43 Grande.

44 COUNCILOR HARRIS: Okay, and remind me this is for the coming year
45 but were they on the job essentially for the fiscal period we just – have they been
46 operating and monitoring up until now?

MR. VOKES: Yes, that's correct.

1 COUNCILOR HARRIS: Okay, all right, thanks. I just needed that
2 reminder. Thank you. I'll move to approve.

3 COMMISSIONER HAMILTON: Second.

4 CHAIR IVES: We have a motion and a second. Any further discussion?
5

6 **The motion passed by unanimous voice vote.**
7

8 **DISCUSSION AND ACTION**
9

10 **14. Request for approval to accept a policy with American Alternative Insurance**
11 **Corp. for the BDD Insurance Policies including Real Property coverages in**
12 **the amount of \$131,642**
13

14 CHAIR IVES: Mackie, once again you are up.

15 MS. ROMERO: Mr. Chair, members of the Board, the Joint Powers
16 Agreement requires the BDD Board to carry insurance coverage separate and apart from
17 the respective partners policies. Therefore, the Board has contracted with Daniels
18 Insurance to serve as our agent/broker. Daniels Insurance remarketed our account to
19 several companies for competitive bids. They received a bid from our current policy
20 holder, American Alternative Insurance, and a bid from Travelers Insurance. However,
21 based on the terms and conditions and a 9 percent reduction of the overall premium, we
22 are recommending the Board accept a policy from American Alternative Insurance at an
23 annual premium of \$131,642 with the policy effective date of July 1, 2018 through July
24 1, 2019.

25 Mr. Segura, George Segura, from Daniels Insurance is also here if you have any
26 questions for him.

27 CHAIR IVES: Questions from the Board? What is the pleasure of the
28 Board?

29 COMMISSIONER HAMILTON: I'll move to approve.

30 COUNCILOR HARRIS: I'll second.

31 CHAIR IVES: Motion and a second. Any further discussion?
32

33 **The motion carried by unanimous voice vote.**
34

35 **15. Request formal adoption of the Fiscal Year 2019 Annual Operating Budget**
36 **in the amount of \$8,544,624 plus \$626,706 in contributions to the Major**
37 **Repair and Replacement Fund**
38

39 MS. ROMERO: Mr. Chair, members of the Board, on March 1, 2018 the
40 BDD Board approved the proposed annual operating budget and other fund contributions
41 and recommended that the budget be considered and approved by our partners' governing
42 bodies. On May 30, 2018, the City of Santa Fe Water Division annual budget was
43 approved by Santa Fe City Council. On June 26, 2018, the Santa Fe County Public
44 Utilities Department's annual budget was approved by the Santa Fe County Board of
45 Commissioners. Both of these approved budgets included the funded requested by BDD.
46 Therefore, staff recommends formal adoption of the fiscal year 18/19 annual operating

1 budget of \$8,544,624 plus the annual contribution of \$626,706 for the Major Repair and
2 Replacement Fund.

3 CHAIR IVES: Very good. Thank you for that introduction. Questions
4 from the Board on the final approval of the budget?

5 COMMISSIONER HAMILTON: I have a question. So given our earlier
6 discussion on the status of the fiscal agent agreement, I'd like to move – I feel that it
7 would be more appropriate to approve with the current fee and let it get modified in the
8 future when the agreement itself is modified. So I want to move to approve this budget
9 with the 1 percent fiscal agent fee not the 4 percent fee.

10 CHAIR IVES: Part of our challenge is that budget will then have to go
11 back, I suspect, to each of the respective bodies because we approved this previously and
12 both the bodies have approved this in its current form. Correct me if I am wrong.

13 MS. ROMERO: Mr. Chair, members of the Board, we did discuss this in
14 FSAC about the possibility of reducing the budget by the 3 percent. So if it is the
15 pleasure of the Board, what I would recommend is that the partners who have already
16 approved the budget, that's still approved, but it would just be BDD just wouldn't adopt
17 100 percent of that. We would adopt our budget less that fee because once the agreement
18 is executed we would come back and do a budget amendment resolution to restore the
19 budget to whatever that percentage would be and so we would want our respective
20 partners to keep that budget intact or held for BDD's purposes. It is just for budgeting of
21 BDD's budget it would not be included.

22 COMMISSIONER HAMILTON: Right, and I agree with that and this is
23 just consistency with what we're doing and –

24 MS. ROMERO: So the partners would not do anything to their budget. It
25 would still be there for the full amount that BDD requested. BDD would just only adopt a
26 lesser amount and then later on increase that if that's the desire of the Board.

27 CHAIR IVES: Councilor.

28 COUNCILOR HARRIS: Well, if we want to be consistent, I think we
29 should be consistent with what we've done the last two years. We had 4 percent. We
30 didn't resolve it and we just netted that back down to 1 percent and moved that balance
31 forward. So if it worked the last two years I think it should work for this year as well. I
32 don't see any reason to do this. Really, I just don't see a reason to do this. I mean we've
33 agreed that we're going to reconstitute the committee and go back through all this and
34 reanalyze it and see what they come up with but, again, and this was before my time and I
35 think most everybody here with possible exception of Ms. Fort and Councilor Ives. But I
36 don't know how they got to the 4 percent. I don't know what they're going to end up
37 with now. But I assume there was a rational decision made at the time. Certainly,
38 circumstances have chances are changed a little bit. But, again, if we've had this
39 procedure and it's worked over the last couple of years, keep the 4 percent in the budget
40 and it'll be an unexpended balance and move forward and maybe we end up with 2
41 percent, 3 percent, I don't know. Anyways, I just don't see a reason to do this.

42 CHAIR IVES: Commissioner.

43 COMMISSIONER HAMILTON: Right now in my view it's a poorly
44 substantiated number and the charges are – and I know that we have discussed this with
45 the previous action to reconstitute the committee and develop the justification for all of

1 these numbers. But what we're dealing with right now in the month-to-month agreement
2 is 1 percent. I think the budget ought to reflect that until we actually refine it.

3 I understand your point that you don't see it as a big deal. But for accuracy sake
4 and it's a little motivation to get this thing to move appropriately.

5 CHAIR IVES: And this is certainly in your memorandum, this Board's
6 original action was taken on March 1st approving the budget that is brought before the
7 City which ended up approving it on May 30th and it was a week ago, June 26th, a week
8 and two days that the presumably the full County approved this budget. So I hate to say
9 it, but I think it honors the action taken by both the City Council and the County
10 Commission.

11 MS. ROMERO: Mr. Chair, members of the Board, I just want to make a
12 comment. In preparing the budget we did know that this was obviously an unresolved
13 issue so we did designate it as a contingent. So it is 3 percent contingent fee so hopefully
14 – it is contingent upon execution of the agreement and so hopefully if that helps.

15 CHAIR IVES: So you're saying that it is 3 percent not 4 percent.

16 MS. ROMERO: No, it's the 1 percent plus the 3 percent contingent.

17 CHAIR IVES: Thank you for that clarification.

18 COMMISSIONER HAMILTON: That is true. It is in as a contingent.

19 MS. ROMERO: Right.

20 CHAIR IVES: So is there a motion? Did we take a motion?

21 COMMISSIONER HAMILTON: Nancy, do you have any thoughts on
22 relationship between the agreement and the way it is reflected in the budget?

23 MS. LONG: Mr. Chair and Commissioner Hamilton, I think Ms.
24 Romero's explanation about what the Board could do made sense to me so I think you
25 can do either one. I think because the 3 percent is designated as contingent that that is
26 helpful because it will just sit there if and until you get to the point of an action fee in an
27 agreement and then it could be moved over. So I think that the way it is handled in the
28 budget probably handles everyone's concerns.

29 COMMISSIONER HAMILTON: Okay, that's fine. I will withdraw my
30 motion.

31 CHAIR IVES: So, what is the pleasure of the Board?

32 COUNCILOR HARRIS: Move to approve.

33 COMMISSIONER HAMILTON: I'll second.

34 CHAIR IVES: Okay, we have a motion and a second. Any further
35 discussion?

36
37 **The motion passed by unanimous voice vote.**

38
39 CHAIR IVES: The motion passes and we will look forward to resolving
40 that issue in our meeting in September.

41 MS. ROMERO: Yes, thank you.

42
43 **16. Request for approval to carry forward unexpended funds from the FY 17/18**
44 **Operating Budget to the FY 18/19 Operating Budget**

45 **a. Request for approval of Budget Amendment Resolution \$590,000**
46

1 MS. ROMERO: Mr. Chair, members of the Board, we are requesting
2 approval to increase our fiscal year 18/19 operating budget by \$590,000 which was
3 unexpended from our fiscal year 17/18 operating budget. This request will budget fund
4 balance from the BDD Operating Fund and increase our legal services line item. Any
5 unexpended funds will remain as an uncommitted budget balance and will be held in the
6 partners respective pre-bill accounts per the BDD working capital and billing policy.
7 Any questions?

8 CHAIR IVES: Questions from the Board? What is the pleasure?
9 Commissioner.

10 COMMISSIONER HANSEN: I'll move to approve.

11 COUNCILOR HARRIS: Second.

12 COMMISSIONER HAMILTON: Second.

13 CHAIR IVES: We have a motion and several seconds. Any further
14 discussion? All those in favor.

15
16 **The motion passed by unanimous voice vote.**

17
18 CHAIR IVES: Thank you, Mackie.

19 MS. ROMERO: Thank you.

20
21 **MATTERS FROM THE PUBLIC**

22
23 CHAIR IVES: Is there anyone from the public who would like to address
24 the Board on any matter? Our public hearing is closed then.

25
26 **MATTERS FROM THE BOARD**

27
28 CHAIR IVES: Let me start on this side, Commissioner.

29 COMMISSIONER HANSEN: I'm okay. We brought up the study
30 session already so that is one of the main issues that we all are concerned about is getting
31 that moving and hopefully it can happen in August.

32 CHAIR IVES: Commissioner.

33 COMMISSIONER HAMILTON: No, I have no additional comments.

34 CHAIR IVES: Councilor.

35 COUNCILOR HARRIS: I'm fine. Mackie, FSCA got lost in the shuffle
36 for me on Tuesday. No excuses. It was clearly an important session. I will be there the
37 next time. Commissioner Hamilton, as well as you.

38 CHAIR IVES: Very good, I have nothing in addition.

39
40 **NEXT REGULAR MEETING:** Thursday, August 2, 2018 at 4:15, City Council
41 Chambers, 200 Lincoln.

42
43 COMMISSIONER HAMILTON: Mr. Chair, I will not be present for that
44 meeting. I will be out of town. I hate to say that. It will be an important meeting.

45 COMMISSIONER HANSEN: I can cover for her.
46

1 **EXECUTIVE SESSION**

2
3 **In accordance with the New Mexico Open Meetings Act NMSA 1978 Section**
4 **10-15-1(H)(2) and Section 10-15-1 (H)(7), discussion regarding pending**
5 **litigation in which the BDDB is a party and limited personnel matter.**

6
7 COMMISSIONER HANSEN: Do we need a motion to go into executive
8 session?

9 MS. LONG: Yes, Mr. Chair and Commissioner. A motion to adjourn and
10 go into executive session in accordance with the New Mexico Open Meetings Act NMSA
11 1978 Section 10-15-1 (H)(2) and Section 10-15-1 (H)(7) for discussion regarding
12 pending litigation in which BDD is a party and limited personnel matters.

13 COMMISSIONER HANSEN: So moved.

14 CHAIR IVES: Is there a second?

15 COUNCILOR HARRIS: Second.

16 CHAIR IVES: We have a motion and a second. Any further discussion?

17
18 The motion to go into executive session passed by unanimous [5-0] voice vote with the
19 following BDD Board members voting in the affirmative:

20	Councilor Ives	Yes
21	Councilor Harris	Yes
22	Commissioner Hamilton	Yes
23	Commissioner Hansen	Yes
24	Member Fort	Yes

25
26 CHAIR IVES: Very good. We are adjourned and moving into executive
27 session. Thank you all for your attendance and stay dry.

28
29 **ADJOURNMENT**

30
31 Having completed the agenda, this meeting adjourned at approximately 5:50 p.m.

32
33 Approved by:

34
35
36
37
38 _____
39 Peter Ives, Board Chair

40
41
42 Respectfully submitted:

43
44 Karen Farrell, Wordwork
45
46

1 **ATTEST TO:**

2

3

4

5 YOLANDA VIGIL

6 SANTA FE CITY CLERK